



ADAPTATION FUND

AFB/B.31-32/11
25 July 2018

Adaptation Fund Board

**REPORT OF THE TWENTY-EIGHTH MEETING OF
THE ACCREDITATION PANEL**

WORK OF THE ACCREDITATION PANEL

1. The Accreditation Panel (the Panel) continued its work reviewing both new and existing applications. On 22 and 23 May 2018 the Panel held its twenty-eighth meeting at the secretariat's offices in Washington, D.C. Mr. Antonio Navarra (Italy, Western European and Others Group) and Vice-Chair Mr. Chebet Maikut (Uganda, Non-Annex I Parties) presided over the meeting.
2. For the twenty-eighth Panel meeting, the secretariat has not received completed accreditation application. Since its twenty-seventh meeting, the Panel has continued reviewing nine re-accreditation applications (eight National Implementing Entities (NIEs) and one Regional Implementing Entity (RIE) and the accreditation applications of eleven potential NIEs and two potential RIEs that were previously reviewed but required additional information for the Panel to make its recommendations. Out of the eleven potential NIEs, three applications have been categorized as 'dormant application' as per Board Decision B.31/26.¹
3. After considering the recommendations by the Panel, at its thirty-first meeting, the Adaptation Fund Board (the Board) made decisions on the re-accreditation process (Decision B.31/1) and efficiency and effectiveness of the accreditation process of the Adaptation Fund (Decision B.31/26) respectively.²
4. 13 applications (eleven for potential NIEs and two for potential RIEs) are currently under review by the Panel as seen in the list below. For purposes of confidentiality, only the assigned code is used to report on the status of each Implementing Entity's application.

- 1) National Implementing Entity NIE044
- 2) National Implementing Entity NIE046
- 3) National Implementing Entity NIE057
- 4) National Implementing Entity NIE064
- 5) National Implementing Entity NIE066
- 6) National Implementing Entity NIE107
- 7) National Implementing Entity NIE113
- 8) National Implementing Entity NIE133
- 9) National Implementing Entity NIE136
- 10) National Implementing Entity NIE139
- 11) National Implementing Entity NIE141
- 12) Regional Implementing Entity RIE008
- 13) Regional Implementing Entity RIE016:

GENERAL TRENDS

5. As at 23 May 2018, the total number of accredited implementing entities amounts to 46: 28 NIEs, six RIEs and 12 Multilateral Implementing Entities (MIEs) (Figure 1). Among 28 NIEs,

¹ Dormant application refers to the one that has been inactive for six months. See Decision B.31/26 (a) (iii).

² See <https://www.adaptation-fund.org/document/decisions-thirty-first-meeting-adaptation-fund-board/>.

there are seven accredited NIEs that are from Least Developed Countries (LDCs) and six accredited NIEs that are from Small Islands Developing States (SIDS) (Figure 2). Out of 46 accredited implementing entities of the Fund, 15 entities (33%) have been re-accredited: four NIEs, one RIE and 10 MIEs. With respect to the geographic coverage of the 28 NIEs and six RIEs, 13 entities are from Latin American and the Caribbean region, 12 are from Africa region, eight are from Asia-Pacific region and one entity is from Eastern Europe region (Figure 3).

Figure 1. Accredited Implementing Entities by type

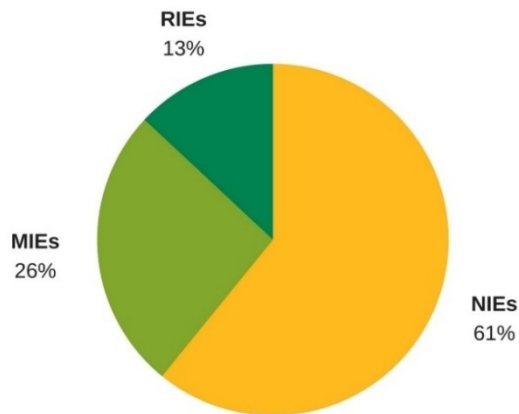


Figure 2. LDCs and SIDS among accredited NIEs

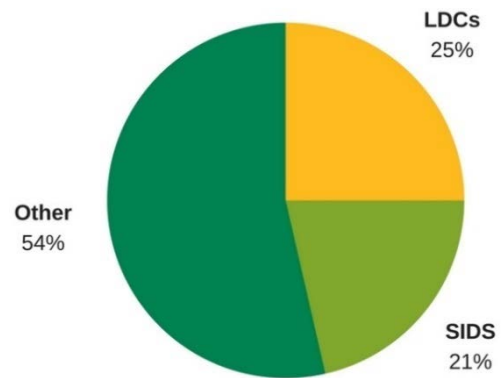
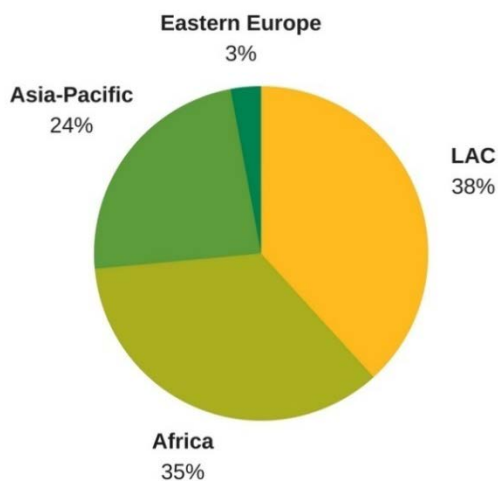


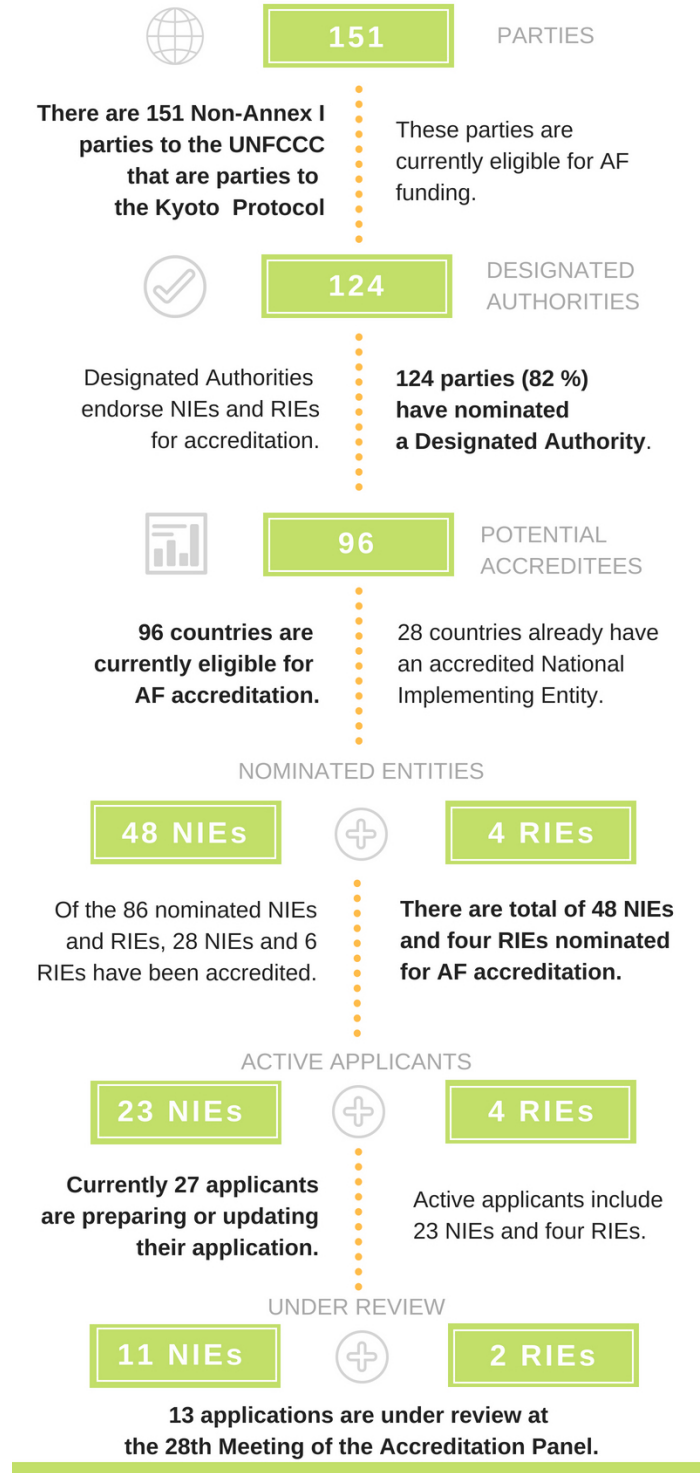
Figure 3. Accredited NIEs and RIEs by region



ACCREDITATION PIPELINE

6. As at 14 May 2018, the Fund has received 124 letters of assigned Designated Authorities (DAs). The following infographic (Figure 4) provides an update on the current accreditation pipeline which does not include re-accreditation applications in the count.

Figure 4. The accreditation pipeline of the Adaptation Fund as at 23 May 2018



STATUS OF APPLICATIONS UNDER REVIEW

<u>ENTITY</u>	<u>TIME OF FIRST APPLICATION</u>	<u>REFERENCE FOR BACKGROUND INFORMATION</u>	<u>CURRENT STATUS</u>
EXISTING APPLICATION			
NIE044 <i>(Dormant Application)</i>	Jan-13	AFB/B.31/4	Despite Secretariat's follow-up emails, there has been no progress since AP23 meeting. In accordance with AFB Decision 31/26 this application is considered as 'dormant,' and the Secretariat sent a letter to the DA informing the inactivity of the applicant for the first time on 22 May 2018.
NIE046	Dec-12	AFB/B.30/4	On 29 December 2016, the applicant submitted the requested documents/information to enable the Panel to resume the review process after a long dormant period. A conference call with the applicant was conducted on 29 January 2018 and 12 May 2018. The Panel recommended a field visit to facilitate the accreditation process. A field visit was scheduled in late June 2018, and the Secretariat encouraged the entity to submit pending documents/information before the scheduled visit.
NIE057 <i>(Dormant Application)</i>	Feb-14	AFB/B.31/4	The challenge that the applicant is facing is its lack of history of non-credit (grant) project funding and implementation. Following the AP22 meeting, the secretariat communicated with the applicant to facilitate applicant's understanding on the pending requirements for accreditation. The secretariat has been following up with the applicant by emails and conference calls in 2016 and June and August 2017. The applicant responded on 15 August 2017 that the entity's accreditation efforts are on hold and will resume when they are ready. Since then there has been no progress. The secretariat sent a follow-up email in November 2017 and received a response from the entity thanking the support. In accordance with AFB Decision 31/26 this application is considered as 'dormant,' and the Secretariat sent a letter to the DA informing the inactivity of the applicant for the first time on 22 May 2018.
NIE064 <i>(Dormant Application)</i>	Apr-16	AFB/B.31/4	Upon the secretariat's follow-up email, the applicant replied on 12 January 2017 indicating that the government decided to put its NIE accreditation on hold to ensure that the NIE is equipped with its required institutional capacities and rules and procedures. The applicant deems that it will take some time to complete the process. The applicant will contact the secretariat to resume accreditation process again once the process is done. In accordance with AFB Decision 31/26 this application is considered as 'dormant,' and the Secretariat sent a letter to the DA informing the inactivity of the applicant for the first time on 22 May 2018.

NIE066	Apr-15	AFB/B.31/4	The applicant is a small organization with limited capacity. The accreditation process is officially under the streamlined accreditation. In the context of the AF South-South Cooperation Grants programme (approved by the Board in March 2016), the applicant has completed its application, initially submitted in August 2015, with the help of an AF accredited NIE in 2017. The applicant submitted part of the requested information on 5 February 2018. The Panel was of the view that the applicant made improvement on the financial side and has been working on required policies and procedures, but it may take some time for the applicant to demonstrate the track record of the implementation of the newly set-up system.
NIE107	Apr-16	AFB/B.31/4	The Panel provided feedback to the applicant in April 2018 on 90 documents that were additionally submitted by the applicant on 12 September 2017. A follow-up facilitative conference call was set up among the Secretariat, the Panel, and the applicant on 3 May 2018, but due to poor connectivity of the internet and phone, the call could not make through. Another call was scheduled on 21 May 2018. The Panel is of the view that the applicant made lots of progress in bridging the gaps in its compliance with accreditation criteria and recommended a field visit to the applicant in the near future.
NIE113	Dec-15	AFB/B.31/4	The application has been under the streamlined accreditation process since an official letter signed by the Designated Authority on the agreement of pursuing streamlined accreditation process was submitted to the Secretariat on 31 October 2016. The applicant had received readiness support from the Fund's accredited NIE under the South-to-South Cooperation Grants Programme. The Panel completed the review of the additionally submitted documents on 18 January 2018, and shared the feedback with the applicant on 11 April 2018. A follow-up facilitative call was held among the Secretariat, the Panel, and the applicant on 15 May 2018.
NIE133	Feb-16	AFB/B.31/4	The applicant's submission of requested information is pending. The Secretariat sent a follow-up email to the applicant on 16 May 2018. Based on the information and documentations received so far, the Panel shared their concern over whether the applicant is suitable for accreditation due to its lack of track record of non-credit project. The corporate mandate and strategies appear to be purely focused on financial and banking goals. The Panel recommended that the Secretariat communicate this information to the Designated Authority.
NIE136	Aug-16	AFB/B.31/4	The applicant has been receiving readiness support from the accredited NIE under the Fund's South-to-South Cooperation Grants Programme. A bilateral meeting between the applicant and the Secretariat was held on the margins of the Subsidiary Bodies (SB) meeting in Bonn, Germany in May 2018. The Panel completed the assessment of the additionally submitted document and communicated the feedback and an updated list of pending information to the applicant on 7 May 2018.

NIE139	May-17	AFB/B.31/4	The application was submitted on 30 May 2017, and following the screening by the secretariat sent back to the applicant with a request to update the pending information and supporting documents. The applicant re-submitted the application in July 2017. The applicant has maintained active communications with the secretariat and the Panel through emails, conference calls. The Secretariat was informed of the change of the NIE focal point in January 2018. A conference call among the secretariat, the Panel and the applicant was scheduled on 2 May 2018 but failed due to technical issues and poor internet connection. The applicant submitted additional documents partly addressing pending gaps on 7 May 2018. The Panel is currently reviewing these documents. The pending gaps include the applicant's demonstration of its capacity of project management according to its revised policies and mechanisms to disseminate policies and related complaint handling mechanisms. The Panel was of the view that the fact that many people in Tuvalu do not use the internet or do not have the internet access may need to be considered in assessing the relevant criteria.
NIE141	Dec-17	N/A	The applicant submitted its application on 13 December 2017. The applicant has been receiving readiness support from the accredited NIE under the Fund's South-to-South Cooperation Grants Programme. The Panel completed the initial assessment of the application on 25 February 2018, and the result was communicated to the applicant on 26 February 2018. The applicant's submission of the requested information is pending. The Secretariat sent a follow-up email on 1 May 2018.
RIE008	Jan-14	AFB/B.31/4	After a two year-long dormant period, the applicant's accreditation process continued by submitting the requested information/documentation in August 2016. The Panel completed the review of the additionally submitted document on 9 April 2018, and the result as well as an updated list of pending information was shared with the applicant on 11 April 2018. The Secretariat received an official letter from the applicant that it intends to withdraw its application from the accreditation process. The Panel recommended that the Secretariat contacted the applicant to provide further clarification on the accreditation process, and the Panel has offered to personally meet the applicant to review the list of questions. Should the withdrawal be a final decision, the Secretariat will inform the DAs who endorsed the nomination of the applicant as RIE applicant and remove the accreditation application from the pipeline.
RIE016	Mar-17	AFB/B.31/4	The applicant submitted additional supporting documents on 19-24 March 2018. A bilateral meeting between the applicant and the secretariat was held on the margins of the Subsidiary Bodies (SB) meeting in Bonn, Germany on 3 May 2018.

RE-ACCREDITATION:

NIE002	June-16	AFB/B.31/4	Accreditation expired on 21 June 2016. There have been positive developments, but a number of pending gaps still exist. On 19 March 2018 the Panel completed the review of the documents that the entity submitted on 19 January 2018, and the feedback was shared with the entity on 11 April 2018. Panel was of the view that the entity has been through some positive restructuring.
NIE014	Sep-16	AFB/B.31/4	Accreditation expired on 15 September 2016. The Panel completed the review of the documents that entity submitted on 4 January 2018, and the result was shared with the entity on 23 April 2018. A follow-up facilitative call was held among the Panel, the Secretariat and the entity on 11 May 2018. The Panel was of the view that the entity made lots of progress in bridging the gaps.
NIE015	Sep-17	AFB/B.31/4	Accreditation expired on 6 September 2016. After the Panel completed the review of the documents that entity submitted on 4 January 2018, a facilitative conference call was held between the Panel and the entity on 02 March 2018. The entity submitted additional documents on 22 May 2018, and the Panel is currently reviewing the documents.
NIE016	Aug-16	AFB/B.31/4	Accreditation expired on 13 December 2016. Many of the documents were not in English. The entity submitted some of the requested documents in English in late April 2017, and the remaining documentations are pending as of May 2, 2017. The focal point of the entity has changed, and the secretariat, Panel and the new focal point and their team had a conference call to facilitate a smooth handover of re-accreditation work. Since then, the entity submitted some of the requested information in early and late August 2017, but other requested information is still pending. The secretariat sent a follow-up email on 17 May 2018.
NIE017	Nov-17	AFB/B.31/4	Accreditation expired on 15 April 2017 and the entity submitted the re-accreditation application on 21 November 2017. The Panel completed the initial review of the application on 19 February 2018, and the result as well as a list of pending information was shared with the entity on the same day. The entity's submission of the requested information/documents is pending, and the Secretariat sent a follow-up email to the entity on 16 May 2018.
NIE020	Dec-16	AFB/B.31/4	Accreditation expired on 13 December 2016. The entity has submitted its re-accreditation application on 26 July and, after the secretariat's initial screening and request to complete the application, it re-submitted on 31 August 2017. Upon the ministerial reshuffle in September 2017, the Panel is assessing whether a 'claimed' succeeding entity has the capacities and procedures equivalent to those of the NIE at the accreditation and will recommend which process applies to this entity in the context of the reaccreditation.

NIE030	Dec-16	AFB/B.31/4	Accreditation expired on 15 March 2017. The applicant submitted and resubmitted application in December 2016 and February 2017 respectively. The Secretariat and the Panel conducted a filed visit to the entity on 9-10 May 2018. The Designated Authority provided information that it may consider nominating a new NIE and asked related questions to the Secretariat and the Panel. The Secretariat explained that as only one NIE can be accredited per country, if the country decides to nominate a new NIE, the DA needs to send an official letter of new NIE nomination and the current NIE withdrawal. In that case, the new NIE needs to start 'accreditation process' anew.
NIE031	Aug-16	AFB/B.31/4	Accreditation expired on 15 March 2017. On 15 March 2018, the Panel communicated to the entity their feedback on the additionally submitted documents. The entity submitted the requested additional information on 23 January 2018. The Panel is currently reviewing the submitted documents. In July 2018, the Secretariat was notified by email of a possible re-organization of UCAR. The Panel is currently reviewing this additional information.
RIE004	Nov-17	AFB/B.31/4	Accreditation will expire on 10 October 2018. The applicant submitted application on 3 November 2017. The Panel completed the initial review of the application on 6 March 2018. The entity submitted additional documents on 3 May 2018, and the Panel is currently reviewing the documents.

OTHER MATTERS

7. Date and venue for the *Twenty-Ninth Meetings of the Accreditation Panel*: 23-24 August 2018 in Washington D.C.

8. *Discussion on a need to introduce accreditation standards for Anti-Money Laundering (AML) and Countering the Financing of Terrorism (CFT)*: This discussion is related to the Board decision B.31/26, subparagraph (a) (ii) ""To request the Accreditation Panel to consider whether there is a need to introduce accreditation standards related to anti-money-laundering / countering the financing of terrorism, and if it determines that there is, to identify which capacities should exist within the implementing entity applicant and which capacities of other institutions could be relied on, and to present a proposal on the matter to the EFC at its twenty-third meeting." The Panel discussed on: (i) whether the AF needs to add AML-CFT related criteria to the current accreditation criteria; (ii) whether the current accreditation criteria covers this issue or need any update to cover this issue. Considering these two, the Panel considered the capacities of implementing entities and applicants. The Panel was of the view that it is not necessary to add additional criteria related to AML-CFT to the existing accreditation application form, but it is recommendable to update the current accreditation application form by further specifying the supporting documents in specific sections of the application form. This discussion will continue and be finalized at the next Accreditation Panel meeting.

9. *Discussion on the update of Re-accreditation Form:* The Panel agreed on the draft of the updated fast-track re-accreditation application form that the secretariat presented at the meeting.

11. *Discussion on how to encourage NIE applicants to develop their capacities by working jointly on projects implemented by an MIE or RIE:* This is related to the AFB Decision 31/26, subparagraph (i) (iv) "The AFB decided ... to encourage national implementing entity applicants to develop their capacities by working jointly on projects implemented by a multilateral or regional implementing entity." Different ideas were exchanged on how the NIE applicants could develop their capacities by working together with an MIE or RIE.

12. The Accreditation Panel appreciated the secretariat's unrelenting and great support to the Accreditation Panel.